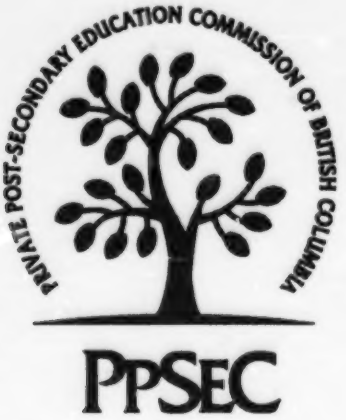
PRIVATE POST-SECONDARY EDUCATION COMMISSION OF BRITISH COLUMBIA



Performance Plan
2001 – 2004

Betty Tully
Commission Chair

Honourable Cathy McGregor
Minister of Advanced Education, Training, and Technology

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I. FOREWORD

This performance plan in the first one produced by the Private Post-Secondary Education Commission (PPSEC). It is prepared in response to requirements set out in the *Budget Transparency and Accountability Act* (2,000). As an agency of government, PPSEC is required to file performance plans and annual reports with the Ministry of Advanced Education, Training and Technology each year. This requirement first applies for the purpose of the 2001-2002 fiscal year.

This plan is intended to take a further step towards providing a solid basis for the Commission's accountability to the government and public for its performance. To be accountable, the Commission needs to be able to say in advance what it intends to achieve and to report on performance compared with those expectations. The process of identifying and measuring appropriate outputs and outcomes is ongoing and the Commission recognizes that there is still considerable work to be done in this respect. The Commission is committed to transparency and accountability and will continue to improve its annual performance plans and annual reports.

II. STRATEGIC CONTEXT

- VISION -

The Private Post-Secondary Education Commission envisions a province where all British Columbians are provided with full consumer protection in respect of registered institutions; where students are assured they will receive high quality programs and services from institutions accredited by the Commission; and where accredited private training institutions' courses or programs are recognized by provincial policy and formal articulation agreements, applied on a consistent, system-wide basis so that learners' interests are safeguarded.

- MISSION -

- To provide consumer protection
- To encourage integrity and high standards of educational competence within the private post-secondary sector
- To implement and supervise with courtesy fairness and equity registration and accreditation

- VALUES -

- Fairness – performance of statutory functions in an impartial, equitable, lawful, unbiased and just manner
- Accessibility – provision of information and services that are simple and easy to use; plain language; and as appropriate with consideration given to the need for services in regions and other languages
- Timeliness – performance of tasks within established timeframes
- Quality and consistency – production of accurate, relevant, dependable' understandable information and results
- Transparency and openness – policies and procedures that are clear and understandable to everyone affected
- Expertise – possession and use of skill, knowledge and technical competence required to discharge statutory duties and maintain public confidence
- Cost-effectiveness – provision of services based on best practices and cost-effectiveness for those involved
- Courtesy – respect for institutions, organizations and individuals who come in contact with the Commission
- Efficiency – streamlining procedures, coordinating services, avoidance of duplication and overlap and use of appropriate technology

- ENVIRONMENTAL SCAN -

Economic Environment

- While provincial, national and international economies have been strengthening, there is evidence of impending recession in the United States and Canada
- Impacted by increasing globalization, British Columbia is undergoing a transition from a resource-based to a knowledge-centred economy with a growing demand for skills and knowledge
- Emerging industries in tourism/hospitality, film, information technology and communications provide new opportunities for niche-oriented private training institutions
- British Columbia's population is becoming older and more diverse and private post-secondary institutions traditionally serve older, non-sequential students
- Serious labour shortages are predicted and replacing retiring workers will require the resources of both the public and private post-secondary systems
- Federal funding to private institutions is now restricted to tuition paid to Employment Insurance sponsored students
- Private post-secondary students attending accredited/designated institutions are now eligible for loans and grants
- Implementation of the Tuition Assurance Fund will ensure students receive tuition refunds in a timely manner

Business Environment

- For-profit, accredited institutions are improving their public image as credible institutions
- Private institutions dependant on government contracts are at risk
- With the recovery of Asian economies, the English as a Second Language sector is regaining strength and is more diversified
- The public post-secondary system is increasingly "concerned" about private sector competition
- Heightened levels of public and stakeholder interest in accreditation will lead to increased expectations
- The Tuition Assurance Fund will increase consumer protection and confidence in private post-secondary education
- The business community wants less regulation with increased transparency and accountability of regulatory bodies

Political Environment

- A provincial election is in the offing, with an anticipated change in government
- The Provincial Training Accord severely restricts private post-secondary access to provincial and federal contract funds
- The Commission mandate has been expanded to include the *Private Post-Secondary Education Amendment Act* (2000) and Regulations and to establishing the Tuition Assurance Fund
- Provincially, both the government and the opposition are on record as supporting less regulation of private business
- Human Resources Development Canada will require Employment Insurance recipients to attend accredited institutions by May 2003
- There is an increased focus on accountability, both within the system and to the public

Recent Commission Initiatives

- Implementing compliance auditing of all registered institutions
- Developing and refining an accreditation process for registered institutions that is unique in Canada
- Responding to the government-imposed August 2000 accreditation deadline for designated institutions, such that over 200 private post-secondary institutions are now accredited
- Assisting the Ministry of Advanced Education, Training and Technology in development of legislative and regulatory amendments to allow for the implementation of the Tuition Assurance Fund
- Increasing public awareness of PPSEC through enhanced graphics and web-site development
- Redesigning of the PPSEC database to increase functionality

III. GOALS AND PERFORMANCE MEASURES

Goal A – To increase the efficiency of the annual re-registration process

Strategies	Anticipated Outcomes
- Institute an exception reporting approach rather than have institutions resubmitting still-current information	Speed up re-registration process for institutions and PPSEC staff
- Develop and implement an on-line re-registration capacity	Increase efficiency and accuracy of re-registration process
- Eliminate the requirement to submit advertising copy and, instead, review during compliance audit visits	Reduce paper flow and allow for a more effective compliance audit
- Consider implementing biannual re-registration, as is done in two other Canadian provinces	Potential saving of one FTE staff person to apply to expanded compliance auditing capacity

Goal B – To expand the compliance auditing capacity

Strategies	Anticipated Outcomes
- Assign an additional Registration Officer to full-time compliance auditing	Double our current compliance auditing capacity of registered institutions
- Have Accreditation Officers assume responsibility for compliance auditing of accredited institutions	Avoid duplication of effort. Improve communication with accredited institutions. Increase compliance auditing capacity of registered institutions.
- Expand compliance auditing to more formally monitor designated institutions' administration of student loans on behalf of Student Services Branch	Reduced opportunity for designated institutions to breach the MoU they sign with SSB, leading to reduced public criticism of private post-secondary sector vis-à-vis student loan abuse.

Goal C – To effectively implement the Tuition Assurance Fund

Strategies	Anticipated Outcomes
- Establish a standing committee of the Commission to administer the TAF	To fulfill requirement that the Commission administer the fund
- Assign two qualified staff to TAF implementation	To ensure adequate staffing to effectively implement the TAF
- Require institutions to transfer from current security to TAF on their re-registration date	To ensure orderly implementation of the Fund and increased protection for students
- Permit earlier transfer of institutions to the TAF as PPSEC staffing levels allow	To provide institutions with relief from current costly securities such as letters-of-credit and cash deposits
- Have the B.C. Investment Management Corporation invest the TAF funds	To benefit from the professional expertise of the Corporation and maximize interest return within the strictures of the *Public Trustees Act*

Goal D – To improve the timeliness of responding to and processing of student complaints

Strategies	Anticipated Outcomes
Appoint a full-time Student Complaints Advisor Reporting directly to the Executive Director	To improve the timeliness of response to student complaints
Develop a Student Complaints information Brochure for students and institutions	To develop a better understanding of the process and the respective Responsibilities
Post the Student Complaint form and the Information brochure on the PPSEC website	To improve access to the information

Goal E – To develop an effective monitoring system for accredited institutions

Strategies	Anticipated Outcomes
Task one additional Accreditation Officer to Develop systemized institutional monitoring Capabilities	To enhance capacity to effectively monitor 200+ accredited institutions, as well as respond to new and re-registration requests
Hire one additional Accreditation Officer In 2001/02	To provide for adequate monitoring of 200+ accredited institutions
Have Accreditation Officers assume responsibility for compliance auditing of accredited institutions	To allow Registration Officers to focus on compliance auditing of registered institutions, and ensure Accreditation Officers are in direct contact with the institutions they oversee.

Goal F – To respond to the demand for accreditation by institutions responding to HRDC requirement for accreditation by May 2003

Strategies	Anticipated Outcomes
Hire one additional Accreditation Officer as above	To provide the capacity to support the 100 additional institutions seeking to be accredited by May 2003 in response to new HRDC requirements

Goal G – To increase public awareness of PPSEC and the value of its work

Strategies	Anticipated Outcomes
Review and redefine job descriptions and Qualifications as required	To ensure recruitment of appropriately qualified personnel
Provide for appropriate professional Development	To maintain currency and job-satisfaction of current personnel

Support career-progression related training	To reward current personnel appropriately and to be able to attract suitably qualified new staff

Goal I – To obtain sufficient industry and/or government funding to allow for the provision of high quality, consistent services based on best practices and cost-effectiveness for those involved

Strategies	Anticipated Outcomes
Gain Ministry of Advanced Education, Training & Technology support for an annual grant, the value of which declines each year proportionate to increases in annual accreditation fees.	The revenue to be able to maintain the accreditation services required without requiring too large an increase in fees to institutions in single year
Adopt a schedule of annual accreditation fees wherein the fee relates to the institution's total annual training revenue	An accreditation fee schedule that more fairly distributes the costs of maintaining the system. Not-for-profit and small institutions would thereby be able to afford accreditation.
Implement a program of appropriate annual increases to registration and accreditation fees	Avoidance of the need for excessive increases in any given year, resulting from a failure to keep pace with inflation.

VI. CONSISTENCY WITH GOVERNMENT STRATEGIC PLAN

The Private Post-Secondary Education Commission is an agency of government, responsible to the Ministry of Advanced Education, Training & Technology. As is reflected below, the Commission's goals are consistent with those of the Ministry, particularly as relates to achieving a well educated citizenry through improved access and quality; support for the economic development of British Columbia by ensuring post-secondary programs are relevant and responsive to changes in the economy and labour market; and through provision of a well managed organization that operates efficiently, fairly and accountably.

Ministry Goals and Strategic Objectives

Goal 1 – A Well Educated Citizenry

Strategic Objectives

1. Improve accessibility to the post-secondary education and training system.

2. Enhance the quality of post-secondary education and training.

Goal 2 – Strong Support for Economic and Social Development in BC

Strategic Objectives

3. Ensure that post-secondary education and training programs are relevant and responsive to changes in the economy and labour market.

4. Support the pace of innovation in the B.C.economy.

Goal 3 – A Well Managed Organization

Strategic Objectives

5. Ensure that the Ministry operates efficiently, values fair and transparent relationships with clients and stakeholders, and is accountable to British Columbians.

6. Provide ministry staff with the resources and training needed to perform their duties efficiently and effectively.

IV. RESOURCE PLAN

- **See attached Five-Year Budget Projection for Staffing, Salaries & Benefits**
- **See attached Five-Year Budget Projection**

PRIVATE POST-SECONDARY EDUCATION COMMISSION
5 YEAR BUDGET PROJECTION FOR STAFFING AND SALARIES & BENEFITS

	PROJECTED ACTUAL FOR 2000-01	2001-02 PROJECTION	2002-03 PROJECTION	2003-04 PROJECTION	2004-05 PROJECTION	2005-06 PROJECTION
REGISTRATION:						
Registrar	1	1	1	1	1	1
Officer	3	3	3	3	3	3
Assistant	2	2	2	2	2	2
TOTAL REG STAFF	**6**	**6**	**6**	**6**	**6**	**6**
TOTAL REG SALARIES	**$318,500.00**	**$328,187.00**	**$340,778.00**	**$352,678.00**	**$361,662.00**	**$368,895.00**
TAF:						
Officer	0	1	1	1	1	1
Assistant	0	1	1	1	1	1
TOTAL TAF STAFF	**0**	**2**	**2**	**2**	**2**	**2**
TOTAL TAF SALARIES	**$-**	**$101,152.00**	**$103,175.00**	**$105,239.00**	**$107,343.00**	**$109,490.00**
ACCREDITATION:						
Officer	3.50	4	4	4	4	4
Assistant	1	1	1	1	1	1
TOTAL ACCRED STAFF	**4.50**	**5**	**5**	**5**	**5**	**5**
TOTAL ACCRED SALARIES	**$240,000.00**	**$289,626.00**	**$301,614.00**	**$313,118.00**	**$319,556.00**	**$325,946.00**
ADMINISTRATION:						
Executive Director	1	1	1	1	1	1
Finance Officer	1	1	1	1	1	1
Secretary/Receptionist	1	1	1	1	1	1
Student Complaints Advisor/Accounting Clerk	0.25	1	1	1	1	1
TOTAL ADMIN STAFF	**3.25**	**4**	**4**	**4**	**4**	**4**
TOTAL ADMIN SALARIES	**$221,500.00**	**$280,985.00**	**$288,967.00**	**$295,550.00**	**$301,461.00**	**$307,493.00**
OVERALL SALARIES & BENEFITS	**$780,000.00**	**$999,950.00**	**$1,034,534.00**	**$1,066,585.00**	**$1,090,022.00**	**$1,111,824.00**
CHARGE BACK TO TAF:						
Direct salaries	$-	$(101,152.00)	$(103,175.00)	$(105,239.00)	$(107,343.00)	$(109,490.00)
Indirect salaries (15% of administration)	$-	$(42,148.00)	$(43,345.00)	$(44,333.00)	$(45,219.00)	$(46,124.00)
TOTAL CHARGE BACK TO TAF	**$-**	**$(143,300.00)**	**$(146,520.00)**	**$(149,572.00)**	**$(152,562.00)**	**$(155,614.00)**
OVERALL SALARIES & BENEFITS AFTER CHARGE BACK TO TAF	**$780,000.00**	**$856,650.00**	**$888,014.00**	**$917,013.00**	**$937,460.00**	**$956,210.00**

PRIVATE POST-SECONDARY EDUCATION COMMISSION

5 YEAR BUDGET PROJECTION

	PROJECTED ACTUAL FOR 2000-01	2001-02 PROJECTION	2002-03 PROJECTION	2003-04 PROJECTION	2004-05 PROJECTION	2005-06 PROJECTION
REVENUE:						
Registration fees	$ 843,000.00	$ 810,000.00	$ 810,000.00	$ 810,000.00	$ 810,000.00	$ 810,000.00
Registration refunds	$ (25,000.00)	$ (25,000.00)	$ (25,000.00)	$ (25,000.00)	$ (25,000.00)	$ (25,000.00)
Late registration fees	$ 22,000.00	$ 20,000.00	$ 20,000.00	$ 20,000.00	$ 20,000.00	$ 20,000.00
Materials fee	$ 21,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00
Accreditation application fee	$ 5,000.00	$ 10,000.00	$ 20,000.00	$ 5,000.00	$ 2,500.00	$ 2,500.00
Accreditation self-study fees	$ 60,000.00	$ 30,000.00	$ 100,000.00	$ 40,000.00	$ 90,000.00	$ 80,000.00
Accreditation audit fees	$ 95,000.00	$ 20,000.00	$ 110,000.00	$ 40,000.00	$ 70,000.00	$ 105,000.00
Accreditation annual fees	$ 13,000.00	$ 40,000.00	$ 50,000.00	$ 55,000.00	$ 70,000.00	$ 75,000.00
Accreditation workshop fees	$ 500.00	$ 3,000.00	$ 3,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00
Miscellaneous revenue	$ 500.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00	$ 1,000.00
Ministry grant	$ 150,000.00	$ -	$ -	$ -	$ -	
	$1,185,000.00	**$ 919,000.00**	**$1,099,000.00**	**$ 957,000.00**	**$1,049,500.00**	**$1,079,500.00**
EXPENDITURES:						
Commission honoraria	$ 18,000.00	$ 45,000.00	$ 45,900.00	$ 46,818.00	$ 47,755.00	$ 48,710.00
Commission expenses	$ 27,000.00	$ -	$ -	$ -	$ -	$ -
Salaries & benefits	$ 780,000.00	$ 999,950.00	$1,034,534.00	$1,066,585.00	$1,090,022.00	$1,111,824.00
*charge back to TAF - #1	$ -	$ (143,300.00)	$ (146,520.00)	$ (149,572.00)	$ (152,562.00)	$ (155,614.00)
Undesignated contingency	$ -	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00
Staff travel expenses	$ 30,000.00	$ 40,000.00	$ 42,500.00	$ 45,000.00	$ 45,900.00	$ 46,818.00
Staff training	$ 2,500.00	$ 5,000.00	$ 5,100.00	$ 5,202.00	$ 5,306.00	$ 5,413.00
Staff conferences	$ 9,000.00	$ 10,000.00	$ 10,200.00	$ 10,404.00	$ 10,612.00	$ 10,825.00
Rent	$ 128,372.00	$ 130,886.00	$ 140,000.00	$ 150,000.00	$ 153,000.00	$ 156,060.00
Improvements	$ 500.00	$ 1,000.00	$ 1,020.00	$ 1,041.00	$ 1,062.00	$ 1,083.00
Telephone	$ 21,500.00	$ 24,000.00	$ 25,000.00	$ 26,000.00	$ 26,520.00	$ 27,051.00
Equipment lease/maintenan	$ 6,000.00	$ 9,000.00	$ 15,300.00	$ 15,606.00	$ 15,919.00	$ 16,237.00
Computer maintenance	$ 10,500.00	$ 12,000.00	$ 12,240.00	$ 12,485.00	$ 12,735.00	$ 12,990.00
Office supplies	$ 36,000.00	$ 40,000.00	$ 40,800.00	$ 41,616.00	$ 42,448.00	$ 43,297.00
Accounting expenses	$ 5,500.00	$ 6,000.00	$ 6,120.00	$ 6,243.00	$ 6,368.00	$ 6,495.00
Legal expenses	$ 18,000.00	$ 20,000.00	$ 22,500.00	$ 25,000.00	$ 25,500.00	$ 26,010.00
Bank charges	$ 2,000.00	$ 2,200.00	$ 2,244.00	$ 2,289.00	$ 2,335.00	$ 2,382.00
Communications	$ 17,000.00	$ 20,000.00	$ 20,400.00	$ 20,808.00	$ 21,225.00	$ 21,649.00
Publications	$ 9,000.00	$ 9,000.00	$ 9,180.00	$ 9,364.00	$ 9,551.00	$ 9,742.00
Insurance	$ 3,000.00	$ 3,500.00	$ 3,570.00	$ 3,642.00	$ 3,715.00	$ 3,789.00
Advertising	$ 4,000.00	$ 5,000.00	$ 5,100.00	$ 5,202.00	$ 5,307.00	$ 5,413.00
TAF expenses	$ 21,000.00	$ -	$ -	$ -	$ -	$ -
*charge back to TAF - #2	$ -	$ (46,408.00)	$ (49,562.00)	$ (51,956.00)	$ (52,995.00)	$ (54,055.00)
	$1,148,872.00	**$1,217,828.00**	**$1,270,626.00**	**$1,316,777.00**	**$1,344,723.00**	**$1,371,119.00**
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) BEFORE	**$ 36,128.00**	**$ (298,828.00)**	**$ (171,626.00)**	**$ (359,777.00)**	**$ (295,223.00)**	**$ (291,619.00)**
OTHER EARNINGS (EXPENDITURES):						
Bank interest income	$ 41,000.00	$ 38,000.00	$ 38,000.00	$ 38,000.00	$ 38,000.00	$ 38,000.00
Amortization	$ (25,000.00)	$ (30,000.00)	$ (20,000.00)	$ (35,000.00)	$ (35,000.00)	$ (35,000.00)
*charge back to TAF - #3	$ -	$ 4,500.00	$ 3,000.00	$ 5,250.00	$ 5,250.00	$ 5,250.00
Accreditation audit direct co	$ -					
Accreditation audit direct co	$ (10,000.00)					
	$ 6,000.00	**$ 12,500.00**	**$ 21,000.00**	**$ 8,250.00**	**$ 8,250.00**	**$ 8,250.00**
SURPLUS (DEFICIT)	**$ 42,128.00**	**$ (286,328.00)**	**$ (150,626.00)**	**$ (351,527.00)**	**$ (286,973.00)**	**$ (283,369.00)**

*charge back to TAF - #1 - includes direct salaries & benefits and 15% of indirect admin. salaries & benefits
- #2 - includes 15% of applicable operating expenses (not including salaries or amortization)
- #3 - includes 15% of amortization